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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/07 AND ENDING 12/31/07  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Northbridge Financial Services  
f/k/a Hans, Christian, Anderson, Inc.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY  
FIRM ID NO.

3650 West Liberty Road

(No. and Street)

Ann Arbor

(City)

Michigan

(State)

48103

(Zip Code)

PROCESSED  
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THOMSON  
FINANCIAL

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Andrew C. Hans (734) 994-4100

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

MRPR Group

(Name - if individual, state last, first, middle name)

28411 Northwestern Highway, Suite 800, Southfield, Michigan 48034-5538

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

☐ Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

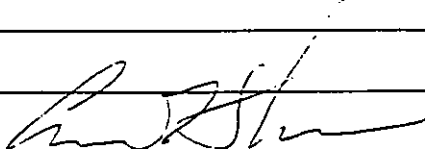
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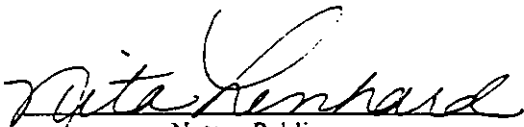
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## OATH OR AFFIRMATION

I, Andrew Christian Hans, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Northbridge Financial Services f/k/a Hans, Christian, Anderson, Inc., as of December 31, 20 07, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

  
Signature

President  
Title

  
Notary Public

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☒ (c) Independent auditors' report on internal control structure.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

NORTHBRIDGE  
FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN,  
ANDERSON, INC.

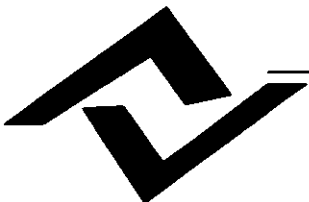
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FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED  
DECEMBER 31, 2007

AND

INDEPENDENT AUDITORS' REPORT



**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Northbridge Financial Services  
f/k/a Hans, Christian, Anderson, Inc.  
Ann Arbor, Michigan

We have audited the accompanying statement of financial condition of Northbridge Financial Services f/k/a Hans, Christian, Anderson, Inc., (an S Corporation) as of December 31, 2007, and the related statements of operations, changes in shareholder's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northbridge Financial Services f/k/a Hans, Christian, Anderson, Inc. as of December 31, 2007, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the schedule of changes in liabilities subordinated to claims of creditors, computation of net capital and computation of aggregate indebtedness is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*MRPR Group*

Southfield, Michigan  
February 28, 2008

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**FOR THE YEAR ENDED DECEMBER 31, 2007**

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NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.

STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2007

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**ASSETS**

Cash and cash equivalents - Note 1	\$ 15,867
Marketable securities - Notes 1 and 2	<u>5,927</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>21,794</u></b>

**LIABILITY AND SHAREHOLDER'S EQUITY**

Liability - Accrued withholding and payroll taxes	\$ 866
Shareholder's equity:	
Common stock, \$1 stated value; authorized, 50,000 shares; issued and outstanding, 100 shares	100
Additional paid-in capital	26,005
Retained earnings (deficit)	<u>(5,177)</u>
<b>Total shareholder's equity</b>	<b><u>20,928</u></b>
<b>TOTAL LIABILITY AND SHAREHOLDER'S EQUITY</b>	<b>\$ <u>21,794</u></b>

See Notes to Financial Statements.

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**REVENUES:**

Fees for administrative services - Note 4	\$ 87,340
Interest and dividends	<u>891</u>

Total revenues	88,231
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**EXPENSES:**

Salaries and other employment costs for voting stockholder officer	38,989
Fees for management expenses - Note 4	38,500
Accounting and auditing fees	5,935
Registration and membership	<u>601</u>

Total expenses	<u>84,025</u>
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<b>OPERATING INCOME</b>	4,206
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**OTHER INCOME:**

Special member payment - Note 1	35,000
Unrealized gain - marketable securities - Note 2	<u>797</u>

Total other income	<u>35,797</u>
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<b>NET INCOME</b>	\$ <u>40,003</u>
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See Notes to Financial Statements.

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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	<u>Common Stock</u>		<u>Additional</u>	<u>Retained</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid-in</u>	<u>Earnings</u>	
			<u>Capital</u>		
BALANCE (DEFICIT), AT BEGINNING OF YEAR	100	\$ 100	\$ 26,005	\$ (11,308)	\$ 14,797
NET INCOME				40,003	40,003
DISTRIBUTIONS	—	—	—	(33,872)	(33,872)
BALANCE (DEFICIT), AT END OF YEAR	<u>100</u>	<u>\$ 100</u>	<u>\$ 26,005</u>	<u>\$ ( 5,177)</u>	<u>\$ 20,928</u>

See Notes to Financial Statements.



**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net income	\$ 40,003
Adjustments to reconcile net income to net cash provided by operating activities:	
Unrealized gain - marketable securities	( 797)
Decrease in accrued payroll and withholding taxes	<u>( 1,211)</u>
Net cash provided by operating activities	37,995

**CASH FLOWS USED IN FINANCING ACTIVITIES:**

Distributions to stockholder	<u>(33,872)</u>
------------------------------	-----------------

**INCREASE IN CASH**

4,123

**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR**

11,744

**CASH AND CASH EQUIVALENTS AT END OF YEAR**

\$ 15,867

See Notes to Financial Statements.

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - Summary of Significant Accounting Policies**

Organization - Northbridge Financial Services f/k/a Hans, Christian, Anderson, Inc. was incorporated February 2, 1990 for the purpose of doing business as a broker-dealer. The Company is a member of the National Association of Securities Dealers (NASD). The Company clears all of its securities transactions with and for customers on a fully disclosed basis.

Use of estimates in the preparation of financial statements - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue and expenses recognition - During 2007, revenues consisted generally of fees for account supervision, investment advisory and administrative services recorded as they are earned. Expenses are recorded as they accrue. Also in 2007 revenue included a cash payment of \$35,000 relating to the consolidation of the NYSE and the NASD.

Computation of customer reserve - The Company is exempt from customer reserve requirements and providing information relating to possession or control of securities pursuant to Rule 15c3-3 of the Securities and Exchange Act of 1934. The Company meets the exempting provisions of Paragraph (k)(2)(i).

SIPC assessment accountant's report - Because the Company's revenues are less than \$500,000, the supplemental accountant's report required by SEC Rule 17A-5(e)(4), relative to SIPC assessments, is not required.

Income taxes - The Company and its shareholder has elected under Subchapter S of the Internal Revenue Code to have the Company's taxable income or loss reported by the shareholder. Because of this election, Federal income taxes are not provided for in the accompanying financial statements.

Cash and cash equivalents - The Company considers any investment with a maturity of three months or less at date of purchase to be cash or cash equivalent. At December 31, 2007, cash consists of cash in bank accounts.

Marketable securities - Marketable securities are considered as trading securities and are carried at market value.

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)**

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**NOTE 2 - Marketable Securities**

At December 31, 2007, marketable securities consist of the following:

	<u>Number of Shares</u>	<u>Original Cost</u>	<u>Market Value</u>		<u>2007 Unrealized Gain (Loss)</u>
			<u>Beginning of Year</u>	<u>End of Year</u>	
Compuware Corp..	200	\$ 2,452	\$ 1,666	\$ 1,776	\$ 110
Intel Corp.	100	2,696	2,025	2,666	641
Sweep deposit account	N/A	<u>1,432</u>	<u>1,439</u>	<u>1,485</u>	<u>46</u>
Total		<u>\$ 6,580</u>	<u>\$ 5,130</u>	<u>\$ 5,927</u>	<u>\$ 797</u>

**NOTE 3 - Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission "Uniform Net Capital Rule" (Rule 15c3-1), which requires the maintenance of minimum net capital at an amount equal to the greater of \$5,000 or 6 2/3 % of aggregate indebtedness, and requires that the ratio of aggregate indebtedness to net capital not exceed 15 to 1.

In accordance with the "Uniform Net Capital Rule" investments held at broker dealers are considered as non-allowable assets unless the broker dealer provides a letter allowing the Company to use the investments as part of net capital (PAIB accounts). At December 31, 2007, the Company has permission to include equities with a market value of \$5,927 held at E Trade Financial as available for net capital purposes.

At December 31, 2007, the Company has excess net capital of \$15,093.

**NOTE 4 - Related Party Transactions**

The Company has a service agreement with a third-party administrator of a 401(k) plan for fees for administrative services. The Company earned such fees of \$87,340 in 2007 for services to an employee benefit trust 401(k) plan of the sponsoring organization where the stockholder/owner of Northbridge is an officer, but not a trustee of the plan. Also the Company incurred management fee expense of \$38,500 paid to a management company related to the stockholder/owner.

NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.

SCHEDULE OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF CREDITORS  
AS OF DECEMBER 31, 2007

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BALANCE AT BEGINNING OF YEAR - ACCRUED WITHHOLDING AND PAYROLL TAXES	\$ 2,077
DECREASE IN 2007	<u>(1,211)</u>
BALANCE AT END OF YEAR - ACCRUED WITHHOLDING AND PAYROLL TAXES	\$ <u>866</u>

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**SCHEDULE OF COMPUTATION OF NET CAPITAL  
AS OF DECEMBER 31, 2007**

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<b>NET CAPITAL:</b>	
Shareholders' equity	\$ 20,928
<b>DEDUCT:</b>	
Haircut on security	<u>835</u>
<b>NET CAPITAL</b>	20,093
<b>MINIMUM REQUIRED NET CAPITAL</b>	<u>5,000</u>
<b>EXCESS NET CAPITAL</b>	<u>\$ 15,093</u>

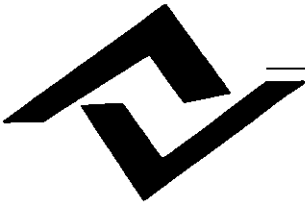
The above calculations of net capital agree in all material respects with the net capital as reported on the Company's December 31, 2007 Part IIA Focus Report.

**NORTHBRIDGE FINANCIAL SERVICES  
F/K/A HANS, CHRISTIAN, ANDERSON, INC.**

**SCHEDULE OF COMPUTATION OF  
AGGREGATE INDEBTEDNESS  
AS OF DECEMBER 31, 2007**

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<b>NET CAPITAL</b>	<b>\$ <u>20,093</u></b>
<b>LIABILITIES</b>	<b>\$ <u>866</u></b>
<b>RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL</b>	<b>.04 x to 1.00</b>



Board of Directors  
Northbridge Financial Services  
f/k/a Hans, Christian, Anderson, Inc.  
Ann Arbor, Michigan

In planning and performing our audit of the financial statements and supplemental schedules of Northbridge Financial Services f/k/a Hans, Christian, Anderson, Inc. for the year ended December 31, 2007, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities Exchange Commission, we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Board of Directors  
Northbridge Financial Services  
f/k/a Hans, Christian, Anderson, Inc.

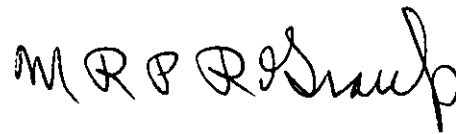
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Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operations may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2007, to meet the SEC's objectives.

This report is intended solely for the information and use of management, the SEC and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Southfield, Michigan  
February 28, 2008

**END**